

**GUJARAT NATIONAL LAW UNIVERSITY
GANDHINAGAR**

**Course: Law of Contracts-II (Specific Contracts, Partnership and Sale of Goods)
Semester-III (Batch: 2016-21)**

Mid Semester Test: August-2017

Date: 22nd August, 2017

Duration: 2 hours

Max. Marks: 30

Instructions:

- Read the questions properly and write the answers in the given answer book.
- The respective marks for each question are indicated in-line.
- Do not write anything on the question paper.
- Indicate correct question numbers in front of the answers.
- No questions or clarifications can be sought during the exam period, answer as it is, giving reason, if any.
- **Bare Act is not allowed.**

**Part-A
Answer all questions**

Marks

- | | | |
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| Q.1 | <p>'Amit' gave some gold to a goldsmith named 'Balwant'. The goldsmith kept the gold in his safe and appointed a watchman outside the room for the safety and security of the gold. In a raid by dacoits on the house of the goldsmith, along with his other property, Amit's gold was also taken by the dacoits. Amit wants to sue Balwant for the loss of the gold and seeks your advice in this regard.</p> <p>Advice Amit by citing relevant case laws and sections of the Indian Contract Act 1872.</p> | (04) |
| Q.2 | <p>Amar is a teacher in a College and Deepa is his wife. Amar goes to Germany on study leave for one year. In Amar's absence Deepa maintains herself with the money sent by Amar from time to time. On some occasions when there is a delay in receiving the money, she takes goods on credit and pays after she receives the money. Thus, on one such occasion she purchased on credit, 5 kg of rice, four sarees and one gold necklace. Soon after this Amar returns home. For which of these goods, Amar is bound to pay? Decide and explain with illustrations, case laws and relevant sections of the Indian Contract Act 1872.</p> | (04) |
| Q.3 | <p>'A' lends his motor car to 'B' for a drive by him only. 'B' allows his daughter 'C', who is an expert car driver, to drive the vehicle. 'C' drives the car carefully but the axle suddenly breaks and the car is damaged. Is 'B' liable for the damage? Explain giving reasons, citing case laws and relevant sections of the Indian Contract Act 1872.</p> | (04) |
| Q.4 | <p>During the Second World War under the prevalent law the house of a person was requisitioned by the British government for the purpose of housing the troops. The person had on his premises large amount of furniture and silverware. There was no other place for him to store it. The house owner made an arrangement with the government officer for the furniture and the silverware to be stored in a room. Thus it was carefully packed and kept in two rooms and locked and sealed in the presence of the representative of the government. Similarly there was a strong room in the house in which the silverware was locked and sealed in the presence of the officer. The owner did not specify the particulars</p> | (07) |

of the silverware stored or give any estimate of it but the room was locked in the presence of the representatives of the government.

The house was put to several different uses over the years, the last one being to house 70 – 80 war displaced persons. The strong room was broken into by the displaced persons and the silverware was stolen. Two of the residents were accused and pleaded guilty.

The owner claimed that the government was the bailee of the goods and should cover the losses of the owner. On the other hand the government claimed that the room remained locked and under the control of the owner so there is no bailment.

Decide with the help of relevant case laws and provisions of the Indian Contract Act 1872.

Part-B

Answer all questions

- Q.5 *"Once a bailee defaults in returning the goods in time, the liability of the bailee becomes absolute".* (05)
Elucidate with the help of relevant case laws and provisions of the Indian Contract Act 1872.
- Q.6 Distinguish between (06)
(a) Sub Agent and Substituted Agent
(b) Contract of Indemnity and Contract of Guarantee
